# GOVERNMENT OF INDIA
# COMMUNICATIONS
# LOK SABHA

UNSTARRED QUESTION NO:2200
ANSWERED ON:15.03.2017
Anomaly in Telecom Companieâ€™s Revenues
Selvam Shri V. Panneer

**Will the Minister of COMMUNICATIONS be pleased to state:**

(a) whether a report has revealed that major telecom companies have cheated the Government of more than 12,000 crores by understating their revenues between 2006 and 2010;

(b) if so, the details thereof and the response of the Government thereto;

(c) the steps taken to recover the said amount;

(d) whether the Government proposes to undertake regular audit of their accounts to check recurrence of such incidents; and

(e) if so, the details thereof?

## Answer

THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI MANOJ SINHA)

(a) As per report No 4 of 2016 of Comptroller and Auditor General of India; six major telecom companies paid less Licensing fees, Spectrum usage charges including interest and penalty amounting to Rs. 12488.93 crore for the four financial years i.e. 2006-07; 2007-08; 2008-09 and 2009-10.

(b)& (c) Department of Telecom revised and issued demand cum show cause notices to the six telecom service providers for a total amount of Rs 30776 Crore (Rs. 29474 crore as License fees and Rs.1302 Crore as Spectrum Usage Charges), taking into account report No. 4 of 2016 of C&AG; License agreement and status of litigation for the four financial years i.e. 2006-07; 2007-08; 2008-09 and 2009-10. The definition of Gross Revenue/Adjusted Gross Revenue was challenged by the private telecom service providers and now the matter is in Hon'ble Supreme Court of India. Department is defending the case with all out efforts.

(d)& (e) Yes, the department of telecom ordered the special audit for financial years 2006-07 and 2007-08 for five major telecom companies. On the basis of reports of the special audit; the demands of Rs. 1846.51 crore were issued during the year 2012. The demands are under litigation in various judicial fora.

The department of telecom ordered in 2016 for special audit of six major telecom companies for three financial years i.e. 2008-09; 2009-10 and 2010-11.

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